

**FEDERAL ELECTION COMMISSION**

**FIRST GENERAL COUNSEL'S REPORT**

**MUR: 7376**

DATE COMPLAINT FILED: Apr. 30, 2018

DATE OF NOTIFICATION: May 4, 2018

LAST RESPONSE RECEIVED: Sept. 14, 2018

DATE ACTIVATED: Oct. 17, 2018

EARLIEST SOL: Oct. 6, 2017

LATEST SOL: Oct. 27, 2021

ELECTION CYCLES: 2012 / 2016

**COMPLAINANT:**

Bob Starr

**RESPONDENTS:**

Republican Party of Florida and Mike Moberley in  
his official capacity as treasurer  
Charlotte County Republican Executive Committee  
Charlotte County Republican Club  
West Charlotte County Republican Club  
Friends of Connie Mack/Mack PAC and David  
Satterfield in his official capacity as treasurer  
Douglas Curtis  
Raymond Corcoran  
Bill Folchi  
Donald J. Trump for President, Inc. and Bradley T.  
Crate in his official capacity as treasurer

**RELEVANT STATUTES  
AND REGULATIONS:**

52 U.S.C. § 30101(4)  
52 U.S.C. § 30102  
52 U.S.C. § 30103  
52 U.S.C. § 30104  
52 U.S.C. § 30116  
52 U.S.C. § 30120(a)  
52 U.S.C. § 30125  
11 C.F.R. § 100.5(c)  
11 C.F.R. § 100.22(a)  
11 C.F.R. § 102.1(d)  
11 C.F.R. § 102.5  
11 C.F.R. § 110.11  
11 C.F.R. § 300.32  
11 C.F.R. § 300.36

**INTERNAL REPORTS CHECKED:**

Disclosure reports

**FEDERAL AGENCIES CHECKED:**

None

**I. INTRODUCTION**

Based upon an internal audit of the Charlotte County Republican Executive Committee ("CCREC"), the Complaint alleges that CCREC and two other local Republican organizations, Charlotte County Republican Club ("Charlotte County Club") and West Charlotte County Republican Club ("West Charlotte Club"), spent non-federal funds in support of Donald Trump during the 2016 presidential election.<sup>1</sup> The Complaint specifically alleges that, although none of the local organizations established a federal campaign account, CCREC spent \$5,000 on three pro-Trump billboards and that the West Charlotte Club and Charlotte County Club (collectively "Republican Clubs") made contributions to CCREC in support of the billboards.<sup>2</sup>

In addition, the Complaint alleges that the local party organizations sponsored a rally and solicited contributions for Donald J. Trump for President, Inc. ("Trump Committee") and paid rent and office expenses for the Trump Committee.<sup>3</sup> The Complaint further alleges that CCREC made an excessive \$10,000 contribution to Friends of Connie Mack/Mack PAC ("Mack Committee") during the 2012 election cycle.<sup>4</sup> Finally, the Complainant, who is the Republican State Committeeman for Charlotte County, claims that after he alerted the Republican Party of Florida ("RPOF") of the allegedly illegal conduct described above, RPOF failed to take any action.<sup>5</sup>

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<sup>1</sup> Although the Complaint cites both federal and state law, we only address the federal allegations.

<sup>2</sup> Compl. at 7, 9 (Apr. 30, 2018).

<sup>3</sup> *Id.* at 2-3, 7.

<sup>4</sup> *Id.* at 2, 7.

<sup>5</sup> *Id.* at 2-3.

1 In response, West Charlotte Club and its President Douglas Curtis acknowledge that the  
2 Club made payments to CCREC to defray the costs of the pro-Trump billboards.<sup>6</sup> Curtis also  
3 acknowledges that the Club spent funds on a "Trump Rally" and that the event included  
4 fundraising on behalf of the Trump Committee.<sup>7</sup> Further, Curtis acknowledged in his response  
5 that the Charlotte County Chair for the Trump campaign, who was also an officer of the West  
6 Charlotte Club, approved the billboards and collected contributions on behalf of the Trump  
7 Committee at the rally.<sup>8</sup> West Charlotte Club denies that it provided any office space or other in-  
8 kind support to local Trump Committee offices.<sup>9</sup> The Trump Committee argues that the  
9 Complaint fails to allege a violation by the campaign because the rally was conducted  
10 independently of the Trump Committee.<sup>10</sup> RPOF argues that the Complaint fails to allege that it  
11 violated the Act and should be dismissed.<sup>11</sup> The Mack Committee denies the allegation that it  
12 accepted an excessive contribution from CCREC during the 2012 election cycle.<sup>12</sup> CCREC and  
13 Charlotte County Club did not respond.

14 As discussed below, the available information indicates that CCREC and the West  
15 Charlotte Club made expenditures and in-kind contributions in support of the Trump campaign  
16 and became political committees in 2016 but failed to organize, register, and report as such.  
17 CCREC and the West Charlotte Club also appear to have made excessive contributions to the

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<sup>6</sup> See Douglas Curtis Resp., Ex. 1A (Sept. 14, 2018); West Charlotte Club Resp. at 39 (Sept. 14, 2018).

<sup>7</sup> Douglas Curtis Resp. at 10-11. The West Charlotte Club characterized the event as a "Rally to get the word out to vote Republican." West Charlotte Club Resp. at 38.

<sup>8</sup> Douglas Curtis Resp. at 12, 17; West Charlotte Club Resp. at 39.

<sup>9</sup> Douglas Curtis Resp. at 10.

<sup>10</sup> Trump Committee Resp. (June 20, 2018).

<sup>11</sup> See RPOF Resp. at 1, 6 (June 25, 2018).

<sup>12</sup> Mack Committee Resp. (May 16, 2018).

1 Trump Committee and failed to use federal funds when they financed federal election activity as  
2 required by the Act. Nevertheless, given the small amounts at issue, we recommend that the  
3 Commission exercise its prosecutorial discretion to dismiss the allegations that CCREC and the  
4 West Charlotte Club violated 52 U.S.C. §§ 30102, 30103, 30104, 30116, and 30125(b). To the  
5 extent that the Charlotte County Club was involved in some of the conduct described above, we  
6 recommend that the Commission dismiss those allegations as well. Additionally, although there  
7 is information indicating that Raymond Corcoran, acting as an agent of the Trump Committee,  
8 may have coordinated with CCREC on the billboards and accepted excessive, soft money  
9 contributions from both CCREC and West Charlotte Club, we also recommend that the  
10 Commission dismiss the allegations that the Trump Committee and Raymond Corcoran violated  
11 52 U.S.C. §§ 30116, 30125(e). We recommend, however, that the Commission caution CCREC,  
12 West Charlotte Club, the Trump Committee, and Corcoran.

13 We also do not recommend that the Commission pursue the remaining allegations as to  
14 the other respondents. Because the facts indicate that CCREC only made a \$1,000 contribution  
15 to the Mack Committee in 2012, we recommend that the Commission find no reason to believe  
16 that CCREC and the Mack Committee violated 52 U.S.C. § 30116(a) and (f) by making and  
17 receiving excessive contributions. Finally, because the Complaint does not allege sufficient facts  
18 to show that RPOF and Douglas Curtis and Bill Folchi, in their individual capacities, violated the  
19 Act, we recommend that the Commission dismiss the matter as to them.

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**II. FACTS**

**A. Structure of Florida Republican Party Organizations**

RPOF is a qualified party committee registered with the Commission.<sup>13</sup> CCREC is a Republican county executive committee under Florida law and is subject to RPOF rules; it is not registered with the Commission.<sup>14</sup> Bill Folchi is the former CCREC Chairman.<sup>15</sup>

Both the West Charlotte and Charlotte County Clubs are private, independent organizations authorized by written RPOF charter; neither Club is registered with the Commission.<sup>16</sup> Douglas Curtis is the current President of West Charlotte Club, and he was its Vice President during the 2016 election cycle.<sup>17</sup> Ray Corcoran is both a West Charlotte Club officer and, during the 2016 campaign, was Charlotte County Chair for the Trump campaign.<sup>18</sup>

**B. Efforts by Local Florida Party Organizations to Support Trump Campaign in 2016**

Relying on an April 10, 2017 audit of the CCREC, the Complaint alleges that CCREC, West Charlotte Club, and the Charlotte County Club collectively spent over \$10,000 to help elect Donald Trump as President in 2016 without establishing federal campaign accounts. According to an internal audit document, those expenses include: (1) the purchase of billboards for a federal candidate (\$5,000); (2) reimbursement to an individual for expenses relating to a federal

<sup>13</sup> Republican Party of Florida, Statement of Organization (Nov. 5, 2018).

<sup>14</sup> RPOF Resp. at 2; Compl. at 7. The CCREC website indicates that it is not authorized by any candidate or candidate committee. See <http://mobile.charlottegop.com/about.shtml>.

<sup>15</sup> See Compl. Encl. 8.

<sup>16</sup> See RPOF Resp. at 2 (explaining that Florida law prohibits the use of the "Republican" name without express authorization from the state party executive committee).

<sup>17</sup> Douglas Curtis Resp. at 9.

<sup>18</sup> Compl. at 2; Douglas Curtis Resp. at 10-11. The Trump Committee also identifies Corcoran as the campaign's Charlotte County chair but states that he was "only a campaign volunteer." Trump Committee Resp. at 1, fn. 1.

1 candidate's publicity (\$704.10); (3) costs for holding a rally to support a federal candidate  
2 (\$4,196.00); and (4) bus transportation to that rally (\$1,120.88).<sup>19</sup> Further, the audit estimated  
3 that over \$3,000 had been collected at "the event for a federal candidate" — which appears to be  
4 a reference to the rally — and that CCREC may have received additional funds from the sale of  
5 Trump campaign materials.<sup>20</sup> According to the Complainant, who was the Chairman of the  
6 Audit Committee, CCREC made all of the expenses referenced above to support Donald  
7 Trump.<sup>21</sup>

8 1. Billboards

9 The Complaint states that CCREC spent \$5,000 on billboards "for the election of Donald  
10 Trump."<sup>22</sup> West Charlotte Club admits that it paid \$1,665 to CCREC on August 2, 2016, for the  
11 purpose of funding those billboards.<sup>23</sup> Further, the billboards were all approved by Corcoran, as  
12 Charlotte County Chairman for the Trump Campaign, the West Charlotte Club's Board, and  
13 CCREC Chairman Bill Folchi.<sup>24</sup> According to West Charlotte Club's August 2016 newsletter,  
14 the billboards displayed a picture of Trump with the Trump campaign logo and slogan, stating:  
15 "TRUMP/PENCE/MAKE AMERICAN GREAT AGAIN!"<sup>25</sup>

<sup>19</sup> Addendum to the CCREC Audit (Apr. 10, 2017); Compl. at 6.

<sup>20</sup> *Id.*

<sup>21</sup> *See* Compl. at 2-3, 7-9.

<sup>22</sup> *Id.* at 9

<sup>23</sup> West Charlotte Club Resp. at 39 (including copies of the check stubs). There are two responses on West Charlotte Club letterhead: one that has an inside address showing that it is from Claudette Curtis ("West Charlotte Club Resp.") and one with an inside address showing that it is from Douglas Curtis ("Douglas Curtis Resp."). Both responses are dated June 19, 2018, and begin "I, Douglas Curtis . . ." indicating that they were both written by Douglas Curtis.

<sup>24</sup> *Id.*

<sup>25</sup> *See, e.g.,* West Charlotte Club August 2016 Newsletter at 5-9, *available at* <https://www.scribd.com/book/321929019/West-Charlotte-Club-august-2016-newsletter-pdf> (publicizing the event

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2. Trump Rally

The Complaint alleges that on October 24, 2016, CCREC spent \$4,196 to rent a venue in Englewood, Florida to hold a rally in support of Trump and received reimbursement from the West Charlotte Club for that payment.<sup>26</sup> As reflected in the audit document, West Charlotte Club also paid \$1,120.88 for bus transportation to the event and \$704.10 for publicity for the event.<sup>27</sup>

The Trump Committee's Response attaches a Facebook post regarding the rally which begins, "Stand UP, Be HEARD, Make America Great Again, Fight for America and ELECT DONALD J TRUMP."<sup>28</sup> West Charlotte Club acknowledges that it made the reimbursement and that the cost covered rent for the facility, food, and drinks.<sup>29</sup> In the West Charlotte Club response submitted directly by its President, Douglas Curtis, Curtis indicates that over 700 people attended.<sup>30</sup>

West Charlotte Club allegedly collected over \$3,000 in contributions to the Trump Committee at the event.<sup>31</sup> All contributions collected during event were collected by Corcoran and "sent directly to Trump Headquarters in NY."<sup>32</sup> Although the Complaint alleges that

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and suggesting that, "[w]ith no dinner costs, it is asked that attendees donate an amount equal or more than what they would normally pay for dinner, with checks made to the 'Donald J. Trump Campaign'").

<sup>26</sup> Compl. at 7.

<sup>27</sup> *Id.* at 9.

<sup>28</sup> Trump Committee Resp., Attach 1.

<sup>29</sup> Curtis Resp. at 10-12, 17; West Charlotte Club Resp. at 38.

<sup>30</sup> Curtis Resp. at 10. *See also* West Charlotte Club Resp. at 38.

<sup>31</sup> *See* Douglas Curtis Resp. at 12; Compl. at 7.

<sup>32</sup> West Charlotte Club Resp. at 11. In his response, Corcoran describes the event as a "get out the vote" event and does not discuss soliciting or receiving contributions for the Trump Committee. Ray Corcoran Resp. at ¶ 2 (June 27, 2018).

1 respondents may have sold Trump campaign materials, including shirts and hats, at the rally for  
2 an unknown dollar amount, West Charlotte Club denies that it sold such merchandise.<sup>33</sup>

3                   3.     Office Space

4             The Complaint alleges that CCREC and the Republican Clubs paid rent and other  
5 expenses for Trump Committee offices in Florida.<sup>34</sup> The Complaint, however, does not identify  
6 any specific payments by CCREC or the Republican Clubs in support of these allegations.

7             Curtis responds that in 2016, he held meetings in his office where the West Charlotte  
8 Club Board discussed ways to promote Trump.<sup>35</sup> He states that he never received payments for  
9 such meetings and that he never sponsored a Trump Campaign office.<sup>36</sup>

10            C.     **CCREC's 2012 Contribution to Mack Committee**

11            The Complaint alleges that CCREC made a \$10,000 contribution to the Mack Committee  
12 during the 2012 election cycle.<sup>37</sup> Commission records show that the Mack Committee disclosed  
13 a \$1,000 contribution from CCREC received on October 6, 2012.<sup>38</sup> CCREC also disclosed this  
14 contribution on its state reports.<sup>39</sup> The Mack Committee's disclosure reports do not show any  
15 other contributions from CCREC.

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<sup>33</sup> Curtis Resp. at 17.

<sup>34</sup> Compl. at 9.

<sup>35</sup> Curtis Resp. at 10-11.

<sup>36</sup> *Id.*

<sup>37</sup> Compl. at 2.

<sup>38</sup> Mack Committee 2012 12-Day Pre-General Report (Oct. 25, 2012) at 297.

<sup>39</sup> See CCREC Campaign Treasurer's Report Summary for Aug. 10-Nov. 1, 2012 at 2 (Oct. 29, 2012),  
available at [https://www.voterfocus.com/CampaignFinance/pdf\\_charlotte/e15c205\\_G4\\_dhc1646sdc188.pdf](https://www.voterfocus.com/CampaignFinance/pdf_charlotte/e15c205_G4_dhc1646sdc188.pdf).



**III. LEGAL ANALYSIS**

**A. Political Committee Status**

Under the Act, a local committee of a political party is a political committee if it: (1) receives contributions aggregating in excess of \$5,000 during a calendar year; (2) makes payments exempted from the definition of contribution or expenditure aggregating in excess of \$5,000 during a calendar year; (3) makes contributions aggregating in excess of \$1,000 during a calendar year; or (4) makes expenditures aggregating in excess of \$1,000 during a calendar year.<sup>40</sup> Commission regulations define a local committee of a political party as an organization that by virtue of the by-laws of a political party or the operation of state law is part of the official party structure, and is responsible for the day-to-day operation of the political party at the level of city, county, neighborhood, ward, district, precinct, or any other subdivision of a state.<sup>41</sup>

An "expenditure" is defined as "any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value made by any person for the purpose of influencing any election for Federal office."<sup>42</sup> To assess whether an organization has made an "expenditure" that would satisfy the statutory threshold for political committee status, the Commission analyzes whether spending on any of an organization's communications made independently of a candidate constitutes express advocacy under 11 C.F.R. § 100.22.<sup>43</sup>

<sup>40</sup> 52 U.S.C. § 30101(4)(C); 11 C.F.R. §§ 100.5(c), 102.1(d).

<sup>41</sup> 11 C.F.R. § 100.14(b).

<sup>42</sup> 52 U.S.C. § 30101(9)(A); 11 C.F.R. § 100.111.

<sup>43</sup> See Political Committee Status, 72 Fed. Reg. 5,595, 5,606 (Feb. 7, 2007) (Supplemental Explanation and Justification) ("Supplemental E&J").

1 The term "contribution" includes any gift, subscription, loan, advance, or deposit of  
2 money or anything of value made by any person for the purpose of influencing any election for  
3 Federal office.<sup>44</sup> The phrase "anything of value" includes all in-kind contributions.<sup>45</sup>

4 The available information indicates that CCREC, West Charlotte Club, and Charlotte  
5 County Club are organizations that are part of the official party structure by virtue of RPOF rules  
6 and Florida law. CCREC is a county executive committee established under Florida law and is  
7 subject to the rules of RPOF. The West Charlotte and Charlotte County Clubs are chartered by  
8 RPOF and must similarly abide by RPOF rules. Accordingly, CCREC, West Charlotte Club, and  
9 Charlotte County Club qualify as local committees of a political party under 11 C.F.R.  
10 § 100.14(b).

11 Moreover, CCREC and West Charlotte Club appear to have made contributions and  
12 expenditures that exceeded the \$1,000 threshold for becoming a political committee under  
13 52 U.S.C. § 30101(4)(c). The internal audit of the CCREC indicates that CCREC spent \$5,000  
14 on pro-Trump billboards. The billboards apparently depicted a picture of Trump next to an  
15 official logo of the 2016 Trump campaign and campaign slogan "Make America Great Again."  
16 The language on the billboards contained the type of phrases or slogans that expressly advocate  
17 the election of a clearly identified federal candidate under section 100.22(a).<sup>46</sup> West Charlotte

<sup>44</sup> 52 U.S.C. § 30101(8)(A)(i).

<sup>45</sup> 11 C.F.R. § 100.52(d)(1).

<sup>46</sup> A communication expressly advocates the election or defeat of a clearly identified federal candidate under section 100.22(a) if it uses phrases including, but not limited to, "Support the Democratic nominee" and "vote against Old Hickory" or "'defeat' accompanied by a picture of one or more candidates," or "reject the incumbent," or "communications of campaign slogan(s) or individual word(s), which in context can have no other reasonable meaning than to urge the election or defeat of one or more clearly identified candidates such as posters, bumper stickers, advertisements, etc., which say 'Nixon's the One,' 'Carter '76,' 'Reagan/Bush,' or 'Mondale!'" or "vote Pro-Life" or "vote Pro-Choice" with a listing of clearly identified candidates described as Pro-Life or Pro-Choice. 11 C.F.R. § 100.22(a).

1 Club also made the \$1,665 contribution to CCREC in support of the billboards that advocated for  
2 Trump's election.

3 Further, West Charlotte Club indicates that Ray Corcoran as Charlotte County Chairman  
4 for the Trump campaign approved of the billboards. If Corcoran was acting as an agent of the  
5 Trump Committee,<sup>47</sup> the billboards could constitute a coordinated communication under  
6 11 C.F.R. § 109.37,<sup>48</sup> and CCREC's payment was an in-kind contribution to the Trump  
7 Committee totaling \$5,000.<sup>49</sup>

8 In previous matters, the Commission has determined that local party committees'  
9 payment of costs for rallies in support of specific federal candidates constitute in-kind

<sup>47</sup> For the purposes of evaluating coordination allegations under 11 C.F.R. § 109, an "agent" of a federal candidate means any person who has actual authority, either express or implied, to, *inter alia*, either make or authorize a communication that meets one or more of the content standards set forth in 11 C.F.R. § 109.21(c) on behalf of the candidate, or be materially involved in decisions regarding the content of the communication, means or mode of communication, or the size or prominence of a printed communication. 11 C.F.R. § 109.3(b)(2), (4). Here, the Trump Committee admits that Corcoran was the Committee's Charlotte County Chair, and West Charlotte Club's Response indicates that, working in that capacity, Corcoran approved of the content of the pro-Trump billboards before CCREC erected them. See West Charlotte Resp. 2 at 39. Since Corcoran appears to have had the authority to approved the content of these billboards in his role as county Chairman for the Trump Committee, he appears to have been an agent of the Trump Committee under 11 C.F.R. § 109.3(b)(2), (4).

<sup>48</sup> The Commission's regulations provide that a political party committee payment for a communication "coordinated with a candidate, a candidate's authorized committee, or an agent of either of the foregoing" must be treated as either an in-kind contribution to, or coordinated party expenditure on behalf of, the candidate. 11 C.F.R. § 109.37(a), (b). To determine whether a communication constitutes a "party coordinated communication," Commission regulations apply a three-prong test. 11 C.F.R. § 109.37(a)(1)-(3). First, the communication must be paid for by a political party committee or its agent. 11 C.F.R. § 109.37(a)(1). Second, the communication must satisfy at least one of three content standards. 11 C.F.R. § 109.37(a)(2)(i)-(iii). Finally, the communication must satisfy one of six conduct standards. 11 C.F.R. § 109.37(a)(3); see also § 109.21(d)(1)-(6). Here, the billboards were paid for by a political party committee, and the billboards satisfied the content prong because, as discussed above, the billboards are public communications that expressly advocate for Trump. The conduct prong also appears to be satisfied because the available information suggests that Corcoran assented to CCREC erecting the billboards and was materially involved in decisions about the content of the billboards in his role as an agent of the Trump Committee. 11 C.F.R. § 109.21(d)(1)(ii), (2).

<sup>49</sup> The billboard apparently included a disclaimer: "ELECTIONEERING COMMUNICATION PAID FOR IN KIND BY THE CHARLOTTE COUNTY REPUBLICAN EXECUTIVE COMMITTEE." Aside from the fact that a billboard cannot be an electioneering communication, see 52 U.S.C. § 30104(f)(3), if Corcoran approved the billboard as the Trump Committee's agent, then the disclaimer should have included a statement that the communication was authorized by Trump, the Trump Committee, or an agent thereof. See 52 U.S.C. § 30120(a); 11 C.F.R. § 110.11(b)(2). However, given the small amount at issue, we recommend that the Commission dismiss this allegation.

1 contributions to those candidates.<sup>50</sup> Thus, with respect to the October 2016 rally to for Trump,  
2 West Charlotte Club's expenses for hosting the event, including the hall rental, publicity, and  
3 related transportation costs, appear to constitute a \$6,020.98 in-kind contribution to the Trump  
4 Committee.

5 Although both CCREC and West Charlotte Club appear to have triggered political  
6 committee status, the amount in violation for each Respondent is small. With respect to  
7 Charlotte County Club, it is unclear what if any funds this Club spent on federal campaign  
8 activity. Based on these circumstances, we do not believe that this matter warrants further use of  
9 Commission resources. Accordingly, we recommend that the Commission exercise its  
10 prosecutorial discretion and dismiss the allegations that CCREC, West Charlotte Club, and  
11 Charlotte County Club violated 52 U.S.C. §§ 30102, 30103 and 30104 by failing to organize,  
12 register, and report as political committees.<sup>51</sup> We recommend, however, that the Commission  
13 caution CCREC and West Charlotte Club about the requirement to register and report as political  
14 committees.

<sup>50</sup> See Factual & Legal Analysis at 4, MUR 6898 (Tim Bishop for Congress, *et al.*) (finding a state-registered political committee's payment of costs for a rally in support of a federal candidate constituted an in-kind contribution subject to applicable limits and disclosure requirements); Factual & Legal Analysis at 3-4, MUR 5859 (Association of Community Organization for Reform Now) (same).

<sup>51</sup> See *Heckler v. Chaney*, 470 U.S. 821 (1985); see also MUR 7252 (Let's Fire Tom MacArthur's Billboard) (dismissing allegations as prosecutorial discretion where an unregistered group raised \$5,236 to erect a billboard advocating for the defeat of a federal candidate and made only a single expenditure for one billboard that was up for a month); MUR 6367 (Veterans for the Constitution) (dismissing allegations with caution where "loose affiliation" of three individuals raised \$1,350 that may have been used to fund two billboards and respondents took remedial action to register and report as a political committee); MUR 6205 (Fort Bend Democrats) (dismissing allegations where the federal portion of the expenses for door hangers may have exceeded the \$1,000 threshold for expenditures by approximately \$500); MUR 6286 (Our Democratic Organization) (dismissing allegations where federal portion of mailer likely exceeded \$1,000 by small amount); MUR 6153 (New Mexico Democratic Legislative Campaign Committee, *et al.*) (dismissing allegations where a party committee exceeded the statutory threshold for political committee status by approximately \$500).

**B. Excessive Contributions**

Once a local party organization is required to register with the Commission, it becomes a local political party committee and is presumed to be affiliated with all other federal committees of that party within that state.<sup>52</sup> A party committee that is affiliated with a qualified multicandidate committee such as RPOF automatically shares that committee's per candidate, per election contribution limit, since affiliated committees share the same limits on contributions received and made.<sup>53</sup> An unaffiliated local party committee which did not individually qualify as a multicandidate committee would be subject to the lower contribution limit for individuals and non-multicandidate PACs.

During the 2016 election cycle, the per-election limit for contributions to candidate committees from political party committees was \$5,000 and the limit for individuals and non-multicandidate committees was \$2,700.<sup>54</sup> Additional fact finding would be necessary in order to determine whether CCREC and West Charlotte Club were affiliated with RPOF for purposes of determining their contribution limits.<sup>55</sup> But based on the relatively small amount of the contributions made by CCREC (\$5,000) and West Charlotte Club (\$6,021) to the Trump Committee, these allegations do not appear to warrant the use of further Commission resources.

<sup>52</sup> 11 C.F.R. § 110.3(b)(3). A local political party committee may, however, disprove this presumption: (i) if it does not receive funds from other federal committees of that party, which are established, financed, maintained or controlled by any party unit; and (ii) if it does not make contributions in cooperation, consultation or concert with, or at the request or suggestion of, any other party unit or committee established, financed, maintained or controlled by another party unit within the state. *Id.* § 110.3(b)(3)(i), (ii); *see also* Advisory Opinion 1978-09 (Republican State Central Committee of Iowa).

<sup>53</sup> *See* 11 C.F.R. § 110.2(a)(1); Advisory Op. 1983-19 (AMAX) and Advisory Op. 1980-40 (Transamerica Corporation PAC). RPOF is a qualified Party Committee.

<sup>54</sup> *See* 52 U.S.C. § 30116(a); Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold, 80 Fed. Reg 5750, 5752 (Feb. 3, 2015) (adjusting the contributions limits under 52 U.S.C. § 30116(a) for inflation up to \$2,700 per election for the 2016 cycle).

<sup>55</sup> *See, e.g.*, 11 C.F.R. § 110.3(b)(3).

1 Additionally, as discussed above, it is unclear what, if any, funds this Charlotte County Club  
2 spent on federal campaign activity. Accordingly, we recommend that the Commission dismiss  
3 the allegations that CCREC, West Charlotte Club, and Charlotte County Club made, and the  
4 Trump Committee accepted, excessive in-kind contributions in violation of 52 U.S.C. § 30116(a)  
5 and (f).<sup>56</sup> We recommend, however, that the Commission caution CCREC, West Charlotte Club,  
6 the Trump Committee, and Corcoran about the prohibitions on making and receiving excessive  
7 contributions.

8 With respect to the contribution that CCREC made to the Mack Committee in 2012, the  
9 Mack Committee contends, and Commission reports confirm, that CCREC made a \$1,000  
10 contribution to the Mack Committee.<sup>57</sup> Because the facts suggest that CCREC was not a  
11 political committee at that time and would likely be subject to the \$2,500 individual contribution  
12 limit in effect in 2012, CCREC's contribution to the Mack Committee was not excessive. Thus,  
13 we recommend that the Commission find no reason to believe that CCREC and the Mack  
14 Committee violated 52 U.S.C. § 30116(a) and (f) with respect to the 2012 contribution.<sup>58</sup>

15 **C. Disbursement of Non-Federal Funds for Federal Election Activity**

16 A local committee of a party committee, regardless of whether it qualifies as a "political  
17 committee," must finance federal election activity with funds subject to the limitations and  
18 source prohibitions of the Act through a specified account and meet recordkeeping and reporting  
19 requirements.<sup>59</sup> Federal election activity includes, *inter alia*, get-out-the-vote activity conducted

<sup>56</sup> See *Heckler*, 470 U.S. at 821.

<sup>57</sup> The Mack Committee reported the contribution to the Commission and CCREC reported it to the Charlotte County Supervisor of Elections.

<sup>58</sup> In any event, the statute of limitations for any possible violations associated with this contribution has run, barring initiation of any enforcement action.

<sup>59</sup> 11 C.F.R. §§ 102.5, 300.32(a)(2), 300.36.

1 in connection with an election in which a candidate for Federal office appears on the ballot and  
2 public communications that refer to a clearly identified candidate for federal office that promote,  
3 attack, support, or oppose ("PASO") a candidate for that office.<sup>60</sup> Get-out-the-vote activity  
4 includes encouraging or urging potential voters to vote.<sup>61</sup> A public communication includes any  
5 "outdoor advertising facility" and "any form of general public political advertising."<sup>62</sup>

6 Here, CCREC disbursed funds to erect billboards that promoted the election of Trump,  
7 and West Charlotte Club paid for the Trump rally, which they describe as a get-out-the-vote  
8 event done in conjunction with the 2016 general election. But neither of those organizations  
9 maintained federal accounts, and there is no information indicating that they were using a  
10 reasonable accounting method to identify permissible funds. Therefore, CCREC and the West  
11 Charlotte Club failed to comply with the requirements of 52 U.S.C. § 30125(b)(1) and 11 C.F.R.  
12 §§ 102.5, 300.32(a)(2), 300.36(a). With respect to Charlotte County Club, it is unclear what, if  
13 any, funds this Club spent on federal campaign activity. But given the small amounts at issue,  
14 we recommend that the Commission exercise its prosecutorial discretion and dismiss the  
15 allegations that CCREC, West Charlotte Club, and Charlotte County Club violated 52 U.S.C.  
16 § 30125(b)(1) and 11 C.F.R. §§ 102.5, 300.32(a)(2), 300.36(a).<sup>63</sup> Further, to the extent that the  
17 Trump Committee and Corcoran as the Committee's agent received non-federal funds in  
18 violation of 52 U.S.C. § 30125(e), we also recommend dismissal.<sup>64</sup> We recommend, however,

<sup>60</sup> 52 U.S.C. § 30101(20)(A); 11 C.F.R. § 100.24(a).

<sup>61</sup> 11 C.F.R. § 100.24(a)(3).

<sup>62</sup> *Id.* § 100.26; *see also* Explanation and Justification for the Regulations on Internet Communications, 71 Fed. Reg. 18,589, 18,593-94 (Apr. 12, 2006).

<sup>63</sup> *See Heckler*, 470 U.S. at 821.

<sup>64</sup> *Id.*

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1 that the Commission caution CCREC, West Charlotte Club, the Trump Committee, and  
2 Corcoran about the prohibitions on expending, disbursing, and receiving soft money in  
3 connection with a federal election.

4 **D. Remaining Respondents**

5 The Complaint alleges that after the Complainant informed RPOF of the potential  
6 violations identified in CCREC's internal audit, RPOF failed to take any action. Even if such  
7 allegation were true, it does not appear that RPOF's inaction constituted a violation under the  
8 Act. Accordingly, we recommend that the Commission dismiss the matter as to RPOF.

9 Similarly, although the Complaint alleges that Folchi and Curtis were involved in the  
10 apparent violations by CCREC and West Charlotte Club, respectively, there are insufficient facts  
11 in the record to support this allegation of involvement by Folchi and Curtis, and thus the  
12 contention that they should be held individually liable is insufficiently justified. We therefore  
13 recommend that the Commission dismiss the matter as to Folchi and Curtis.

14 **IV. RECOMMENDATIONS**

- 15 1. Dismiss the allegations that Charlotte County Republican Executive Committee,  
16 West Charlotte Republican Club, and Charlotte County Republican Club violated  
17 52 U.S.C. §§ 30102, 30103 and 30104;
- 18 2. Dismiss the allegations that Charlotte County Republican Executive Committee,  
19 West Charlotte Republican Club, Charlotte County Republican Club, Douglas  
20 Curtis, and Bill Folchi violated 52 U.S.C. § 30116(a) by making excessive  
21 contributions to Donald J. Trump for President, Inc.;
- 22 3. Dismiss the allegations that Donald J. Trump for President, Inc. and Bradley T.  
23 Crate in his official capacity as treasurer violated 52 U.S.C. § 30116(f);
- 24 4. Dismiss the allegations that Charlotte County Republican Executive Committee,  
25 West Charlotte Republican Club, and Charlotte County Republican Club violated  
26 52 U.S.C. § 30125(b)(1) and 11 C.F.R. §§ 102.5, 300.32(a)(2), 300.36(a);
- 27 5. Dismiss the allegations that Donald J. Trump for President, Inc. and Bradley T.  
28 Crate in his official capacity as treasurer violated 52 U.S.C. § 30125(e);



6. Dismiss the allegations that Charlotte County Republican Executive Committee violated 52 U.S.C. § 30120 and 11 C.F.R. § 110.11;
7. Dismiss the allegations as to Republican Party of Florida;
8. Find no reason to believe that Friends of Connie Mack/Mack PAC and David Satterfield in his official capacity as treasurer violated 52 U.S.C. § 30116(f);
9. Approve the attached Factual and Legal Analysis;
10. Approve the appropriate letters; and
11. Close the file.

Lisa J. Stevenson  
Acting General Counsel

Charles Kitcher  
Acting Associate General Counsel for Enforcement

March 22, 2019

Date

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